

# CRAIG K. THOMPSON LAW OFFICE

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September 20, 2019

Haley Fritza

South Sioux City, NE 68777

Julia Noah

Urbandale, IA 50322

Ivy Haines

White Lake, SD 57383

Makiah Hunt

Vermillion, SD. 57069

**Re: 323 N. Pine Street, Vermillion, South Dakota**

Dear Interested Parties:

Please be advised that I have been retained by Pine Street Property Group as it concerns your lease at 323 N. Pine Street.

In response to the complaint of 'hazardous living conditions' made by tenants of 323 N Pine Street and subsequent abandonment of the property, Pine Street Property Group responds as follows:

After a thorough inspection of the roof at 323 N Pine Street by a contractor, there have been no leaks or weak points found. It has been determined that the mold and moisture issue reported by the tenants in the upper attic bedrooms was caused by the failure of the tenants to maintain a reasonable temperature in the property over the summer.

By admission of Tenant Haley Fritza in writing on 8/16/2019, the air conditioning system had been turned off for the summer. This is further supported by an examination of the City of Vermillion utility bills from the 2019 summer months versus the corresponding months in 2018.

Section 8 of the Lease Agreement specifically states that the *'Resident shall maintain a reasonable temperature in the Premises so that all systems are able to function. Should property damage occur as a result of the heat or cooling being shut off, Tenant(s) shall be responsible for paying all damages.'*

**THIS IS AN ATTEMPT TO COLLECT A DEBT, ANY AND ALL INFORMATION  
OBTAINED SHALL BE USED FOR THAT PURPOSE**

By leaving the air conditioning system off for the summer, it caused moisture to build up and collect in the attic bedrooms of the house and therefore caused mold growth and moisture runoff observed on the walls and ceilings by the tenants.

To date, Pine Street Property Group has paid Louie's Cleaning & Restoration \$435.29 for remediation of the issues.

Due to the time of year and the nature of this property as a collegiate rental, it will be almost impossible to find new renters at the stated lease rental price. Therefore, Pine Street Property Group is seeking full payment of the lease term through May 10, 2020 or the amount allowed by law, plus damages listed below related to the remediation of this issue.

Pine Street Property Group intends to enforce the existing lease to the furthest extent allowed by law, including, but not limited to, filing suit in circuit court for payment of the amount due.

**Payments Due**

<u>Item</u>	<u>Amount</u>
September Rent	\$1,650.00
Utilities due through 8/23/19	\$198.00
Late fees accrued through 9/16/19	\$250.00
Damages – Mold Remediation	\$435.29
October – April Rent (7 x \$1,650)	\$11,550.00
May Prorated Rent (May 1 <sup>st</sup> - 10 <sup>th</sup> )	\$532.26
<b>TOTAL DUE</b>	<b>\$14,615.55 (\$3,653.88 per tenant)</b>

Fritza, Noah, Haines & Hunt  
September 20, 2019  
Page 3

The Tenants still have personal property in the house and have not turned in their keys. Pine Street Property Group is open to the tenants moving back into the property by reinstating the current rent amount due.

Pine Street Property Group is open to a total settlement of \$10,000.00. If a lawsuit is filed, the compromise will be withdrawn.

To the extent that an individual tenant is willing to settle their portion of the amount due (\$3,653.88), the Landlord is willing to indemnify them individually from further obligation or liability in the suit.

According to the Lease Agreement, each Tenant is jointly and severally liable for each portion of the Lease Agreement, meaning the Landlord may collect the whole amount due from any one of the Tenants.

Very truly yours,

CRAIG K. THOMPSON LAW OFFICE

Craig K. Thompson

CKT/ajh  
Enclosure

**Pursuant to 15 U.S.C.A. 1692**

a) Within 5 days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing:

1. The Lease Agreement holds each Tenant jointly and severally liable for the amount of \$14,615.55.
2. The name of the creditor to whom the debt is owed is Pine Street Property Group.

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3. Unless the consumer, within 30 days after receipt of this notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt collector; and
4. If the consumer notifies the debt collector in writing within the 30 day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
5. Upon the consumer's written request within the 30 day period, the debt collector will provide the consumer with the name and address of the original creditor, if different from the current creditor.

Dan Korthals

On Fri, Aug 16, 2019 at 3:18 PM Fritza, Haley Eileen < > wrote:  
Good afternoon Dan,

Regarding your last email, we are concerned about the mold situation. There are still untreated spots and it looks as though the treated spots are starting to have mold again.

When Anthony came to clean the mold spots he did not inspect the house for any other spots.

Is there anyway you could have the air quality tested? Or see if there are mold spores in the air? Should we take our own steps and contact a home inspector?

Our cross country fall camp is starting up on Sunday and we need a timeline as to when someone can either get the air tested, to check the roof, and when the vent in the bathroom will be put in, as well as figure out if everything is up to code.

It is currently not a safe living environment and would like immediate action in order to ensure that it is safe for us to live in this house.

Thank you

On Aug 16, 2019, at 8:36 AM, Jessica Korthals < > wrote:

Ladies,

We received the attached notification of lease termination due to hazardous living conditions at 323 N Pine St. in Vermillion, SD yesterday. We are committed to providing you a safe living environment.

We were notified of the presence of mold on Sunday, August 11th. In response, we had the issue evaluated on Tuesday, August 13th and remediated through cleaning, sanitization and encapsulation of the affected areas on Wednesday, August 14th. After the completion of the remediation, we are not aware of any issues which make the living conditions hazardous. We are making every effort to identify and resolve any issues which may have led to the conditions which allowed the mold to form in the first place (such as repairs to the vent fan in the bathroom and the inspection of the roof for leaks). Therefore, we do not agree to the termination of the lease.


If there are any other issues at the home that you believe create a hazardous living condition, please let us know so we may take action as necessary.

Thank you,

Dan Korthals

Treasurer

Pine Street Property Group, LLC



**From:** Jessica Korthals < >  
**Date:** August 16, 2019 at 5:13:28 PM CDT  
**To:** "Fritza, Haley Eileen" < >  
**Subject:** Re: Lease Termination

Thanks Haley

Sent from my iPhone

On Aug 16, 2019, at 5:03 PM, Fritza, Haley Eileen < > wrote:

Dan,

No one was living here this summer. The issues were found once we returned in August. The air conditioner vents were not running throughout the summer and since we have returned they have been working fine.

Thanks Haley

On Aug 16, 2019, at 4:48 PM, Jessica Korthals < > wrote:

Haley,

We have talked to Anthony at Louie's Carpet Cleaning and Disaster Recovery and he will be coming out to look for and remediate any additional untreated spots as well as look at the spots he previously treated to ensure there hasn't been any subsequent mold growth. He will also be doing an air test that will be sent to and processed by a third party lab. We have provided him with your contact information, so he will coordinate times directly with you. We will also have the furnace filter replaced with an allergen filter to further mitigate any concerns with air quality.

For the bath fan, we have contacted Todd's Electric do the installation and they are still getting the job put on their schedule, however, we will let you know as soon as a time has been assigned.

We are also working with our roofing contractors, Mart Brothers Construction to look at the roof, however, they are currently out of town in Burke, SD assisting with tornado victims. They will likely be looking at the roof next week.

Finally, the house remains up to code with the Vermillion building code. All Vermillion rentals are subject to inspection every two years. The prior inspection was completed on June 1, 2018, which is the date you first took possession of the house, and no code violations or repairs were noted. Given that there have not been any modifications to the building since that time, there are no code concerns.

For our own understanding, was there anyone living in the house throughout the summer, or were these issues discovered when you returned for the school year? Also, were the upstairs air conditioners running throughout the summer, and are they operating currently?

Thank you,